

U.S. DISTRICT COURT
UNITED STATES DISTRICT COURT
DISTRICT OF MAINE
RECEIVED & FILED

UNITED STATES OF AMERICA-5 P 5:20

v.

No. 2:25-cr-00013-NT

DEPUTY CLERK

THIERRY MUSESE

INDICTMENT

The Grand Jury charges:

At times relevant to this Indictment:

- 1) Defendant THIERRY MUSESE was the owner and operator of FRESHCUTZ ("FreshCutz"), a barbershop in Auburn, Maine, from where he also prepared and filed federal income tax returns for himself and others.
- 2) The Internal Revenue Service ("IRS") was an agency of the United States Department of Treasury responsible for administering the tax laws of the United States, and collecting taxes owed to the United States.
- 3) A Form 1040, U.S. Individual Income Tax Return ("Form 1040"), was an annual income tax return filed with the IRS for the purpose of reporting income and claiming deductions and credits to determine a taxpayer's federal income tax liability or refund.
- 4) A Schedule C, Profit or Loss from Business (Sole Proprietorship) ("Schedule C"), was an IRS form that could be attached to a Form 1040 when applicable and used by a taxpayer to report gross receipts, expenses, and profit or loss from a business that the taxpayer solely owned and operated. An activity qualifies as a business if the taxpayer's primary purpose for engaging in the activity is for income or profit and

the taxpayer is involved in the activity with continuity and regularity.

5) The IRS permitted taxpayers to claim certain tax credits using forms that attached to Forms 1040. These credits decreased the amount of taxes owed and/or increased the amount of a refund, such as:

- a. Form 4136 was used to claim the Credit for Federal Tax Paid on Fuels. This credit was available for fuel used for off-highway business use. Fuel used for off-highway business use is fuel that was used for a business use other than in a highway vehicle registered or required to be registered for highway use.
- b. Form 5695 was used to claim the Residential Energy Credit. This credit was available for costs for property that used solar energy to generate electricity for use in the taxpayer's home located in the United States.

6) A tax return preparer who is compensated for preparing or assisting in the preparation of Forms 1040 must obtain a Preparer Tax Identification Number ("PTIN") from the IRS. A tax return preparer's PTIN must be listed in the Paid Preparer section of a Form 1040 that the tax return preparer prepared for compensation.

7) An Electronic Filing Identification Number ("EFIN") is a number issued by the IRS to individuals or firms that have been approved to electronically file tax returns. An EFIN is required to file Form 1040s electronically.

COUNTS ONE – THIRTY-TWO

Aiding and Assisting the Preparation of False Tax Returns

- 8) The allegations in paragraphs 1 through 7 are incorporated herein.
- 9) From at least 2021 through at least 2024, the defendant prepared Forms 1040, including Forms 1040 that included Schedules C, Forms 4136 (Fuel Tax Credits), and/or Forms 5695 (Residential Energy Credits), for other persons in exchange for a

fee. Musese prepared Schedules C that reported false expenses that created a net business loss. Musese prepared Forms 4136 that falsely reported fuel purchased for off-highway business use. Musese prepared Forms 5695 that falsely reported qualified solar electric property costs.

10) These falsities eliminated Musese's taxpayer clients' tax liabilities and/or resulted in tax refunds in amounts to which they were not entitled.

11) In approximately August 2023, the IRS sent Musese a letter notifying him that his EFIN was revoked and that he was expelled from participation in IRS e-file. The letter, in part, stated that "Criminal Investigation has determined that fraudulent returns have been filed utilizing" the EFIN for FreshCutz and that Musese's "conduct violates the requirements to participate in and reflects adversely on IRS e-file."

12) Thereafter, the defendant falsely listed the name, PTIN, and EFIN of another individual on Forms 1040 that the defendant prepared and electronically filed in 2024. Some of these Forms 1040 also included false Schedules C or false filing status which resulted in the defendant's taxpayer clients erasing any tax liability and claiming tax refunds in amounts greater than what they were entitled.

13) On the approximate dates set forth below, in the District of Maine, the defendant,

THIERRY MUSESE

willfully aided and assisted in, and procured, counseled, and advised the preparation and presentation to the Internal Revenue Service of U.S. Individual Income Tax Returns, Forms 1040, and attached schedules and forms thereto, for the calendar years

set forth below, which were false and fraudulent as to one or more material matters, in that the tax returns claimed that these taxpayers were entitled under the provisions of the internal revenue laws to claim the filing status, deductions, losses, and tax credits set forth below, whereas the defendant then and there well knew that said taxpayers were not entitled to claim the filing status, deductions, losses, and tax credits in the claimed amounts.

Count	Approximate Date of Filing	Taxpayer	Tax Year	False Item(s)
1	March 1, 2023	Undercover Agent	2022	<ul style="list-style-type: none"> Form 4136, Line 1a, Nontaxable Off-Highway Business Use of Gasoline Form 5695, Line 1, Qualified Solar Electric Property Costs
2	February 3, 2022	Taxpayer Client #1	2021	<ul style="list-style-type: none"> Schedule C, Line 22, Supply Expenses
3	February 19, 2022	Taxpayer Client #2	2021	<ul style="list-style-type: none"> Schedule C, Line 22, Supply Expenses
4	February 21, 2022	Taxpayer Client #3	2021	<ul style="list-style-type: none"> Schedule C, Line 22, Supply Expenses
5	February 22, 2022	Taxpayer Client #4	2021	<ul style="list-style-type: none"> Schedule C, Line 22, Supply Expenses
6	February 23, 2022	Taxpayer Client #5	2021	<ul style="list-style-type: none"> Schedule C, Line 22, Supply Expenses
7	March 6, 2022	Taxpayer Client #6	2021	<ul style="list-style-type: none"> Schedule C, Line 22, Supply Expenses
8	March 7, 2022	Taxpayer Client #7	2021	<ul style="list-style-type: none"> Schedule C, Line 22, Supply Expenses

Count	Approximate Date of Filing	Taxpayer	Tax Year	False Item(s)
9	March 12, 2022	Taxpayer Client #8	2021	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses
10	March 14, 2022	Taxpayer Client #9	2021	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses
11	March 14, 2022	Taxpayer Client #10	2021	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses
12	March 15, 2022	Taxpayer Client #11	2021	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses
13	March 23, 2022	Taxpayer Client #12	2021	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses
14	March 30, 2022	Taxpayer Client #13	2021	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses
15	February 3, 2023	Taxpayer Client #12	2022	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses
16	February 6, 2023	Taxpayer Client #5	2022	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses
17	February 6, 2023	Taxpayer Client #14	2022	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses
18	February 8, 2023	Taxpayer Client #15	2022	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses
19	February 10, 2023	Taxpayer Client #8	2022	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses
20	February 13, 2023	Taxpayer Client #16	2022	<ul style="list-style-type: none"> • Schedule C, Line 22, Supply Expenses

Count	Approximate Date of Filing	Taxpayer	Tax Year	False Item(s)
21	February 21, 2023	Taxpayer Client #1	2022	<ul style="list-style-type: none"> Form 4136, Line 1a, Nontaxable Off-Highway Business Use of Gasoline Form 5695, Line 1, Qualified Solar Electric Property Costs
22	February 24, 2023	Taxpayer Client #11	2022	<ul style="list-style-type: none"> Form 4136, Line 1a, Nontaxable Off-Highway Business Use of Gasoline Form 5695, Line 1, Qualified Solar Electric Property Costs
23	February 27, 2023	Taxpayer Client #9	2022	<ul style="list-style-type: none"> Form 4136, Line 1a, Nontaxable Off-Highway Business Use of Gasoline Form 5695, Line 1, Qualified Solar Electric Property Costs
24	February 27, 2023	Taxpayer Client #10	2022	<ul style="list-style-type: none"> Form 4136, Line 1a, Nontaxable Off-Highway Business Use of Gasoline Form 5695, Line 1, Qualified Solar Electric Property Costs
25	February 28, 2023	Taxpayer Client #17	2022	<ul style="list-style-type: none"> Form 4136, Line 1a, Nontaxable Off-Highway Business Use of Gasoline Form 5695, Line 1, Qualified Solar Electric Property Costs
26	March 13, 2023	Taxpayer Client #3	2022	<ul style="list-style-type: none"> Form 4136, Line 1a, Nontaxable Off-Highway Business Use of Gasoline

Count	Approximate Date of Filing	Taxpayer	Tax Year	False Item(s)
27	March 24, 2023	Taxpayer Client #6	2022	<ul style="list-style-type: none"> Schedule C, Line 22, Supply Expenses Form 4136, Line 1a, Nontaxable Off-Highway Business Use of Gasoline Form 5695, Line 1, Qualified Solar Electric Property Costs
28	March 31, 2023	Taxpayer Client #13	2022	<ul style="list-style-type: none"> Schedule C, Line 22, Supply Expenses
29	April 24, 2023	Taxpayer Client #2	2022	<ul style="list-style-type: none"> Schedule C, Line 22, Supply Expenses
30	February 15, 2024	Taxpayer Client #17	2023	<ul style="list-style-type: none"> Schedule C, Line 22, Supply Expenses
31	February 28, 2024	Taxpayer Client #12	2023	<ul style="list-style-type: none"> Filing Status

All in violation of Title 26, United States Code, Section 7206(2).

COUNTS THIRTY-TWO – THIRTY-THREE

Filing a False Tax Return

14) The allegations in paragraphs 1 through 7 are incorporated here.

15) On the approximate dates set forth below, in the District of Maine, the defendant,

THIERRY MUSESE

willfully made and subscribed and filed and caused to be filed with the Internal Revenue Service the following false U.S. Individual Income Tax Returns, Forms 1040, which were

verified by a written declaration that they were made under the penalties of perjury and which the defendant did not believe to be true and correct as to every material matter, in that the tax returns claimed he was entitled under the provisions of the internal revenue laws to claim the deductions, losses, and tax credits set forth below, whereas the defendant then and there well knew that he was not entitled to claim the deductions, losses, and tax credits in the claimed amounts.

Count	Approximate Filing Date	Year	False Items
32	January 29, 2022	2021	<ul style="list-style-type: none"> • Schedule C, Line 1, Gross Receipts • Schedule C, Line 22, Supply Expenses • Schedule C, Line 31, Net Profit • Schedule 1, Line 10, Total Additional Income
33	February 22, 2023	2022	<ul style="list-style-type: none"> • Form 4136, Line 1a, Nontaxable Off-Highway Business Use of Gasoline • Form 5695, Line 1, Qualified Solar Electric Property Costs

All in violation of Title 26, United States Code, Section 7206(1).

COUNTS THIRTY-FOUR – FORTY-TWO

Wire Fraud

16) The allegations in paragraphs 1 through 12 are incorporated here.

17) From at least 2021 through at least and until 2023, in the District of Maine and elsewhere, the defendant devised and intended to devise a scheme to defraud

taxpayer clients listed below in paragraph 24, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises.

It was part of the scheme that:

18) The defendant electronically submitted taxpayer clients' Forms 1040 to the IRS, where they were processed in Massachusetts.

19) As set forth in paragraph 13, the defendant prepared and filed false Forms 1040 in Maine that claimed inflated refunds for taxpayer clients.

20) Taxpayers can request that their tax refunds be directly deposited in their bank account by listing their bank account information on the Form 1040. Instead of listing the taxpayer clients' bank account information on their Forms 1040, the defendant listed his Republic Bank account information, causing the taxpayer clients' refunds to be diverted to Republic Bank.

21) The defendant instructed Republic Bank of a "tax preparation fee" for each taxpayer client's Form 1040, as listed below in paragraph 24. This caused Republic Bank to divert a portion of the taxpayer clients' refunds, the defendant's "tax preparation fee," to the defendant and the rest of the refund to the taxpayer clients. The taxpayer clients did not authorize the defendant to take the portion of their refund that he diverted to himself, as listed below.

22) For some taxpayer clients listed below in paragraph 24, without adding the false items alleged in paragraphs 9 through 13, the defendant would not have been able to fraudulently divert his intended tax preparation fee because a correct tax return would have resulted in tax due and not a refund.

23) The defendant provided the taxpayer clients listed below in paragraph 24 with “copies” of the Forms 1040 he prepared (“client copies”). In almost every instance, this copy was not the same as the one the defendant filed with the IRS. The defendant attached several pages to the client copies, including a summary page that showed taxpayer clients what their federal tax refund would be. These summary pages listed a tax refund lower than the refund that was generated from the false return the defendant submitted to the IRS.

24) On approximately the dates set for below, in the District of Maine, defendant,

THIERRY MUSESE

for the purpose of executing the scheme described above and attempting to do so, caused to be transmitted by means of wire communication in interstate commerce the false U.S. Individual Income Tax Returns, Forms 1040, as signals and sounds described below for each count, each transmission constituting a separate count:

Count	Taxpayer Client	Description of Interstate Wire	Approximate Date of Transmitting False Tax Return	Unauthorized Fee
34	Taxpayer Client #4	2021 Form 1040 from Maine to the IRS in Massachusetts	February 22, 2022	\$1,399
35	Taxpayer Client #5	2021 Form 1040 from Maine to the IRS in Massachusetts	February 23, 2022	\$1,399

Count	Taxpayer Client	Description of Interstate Wire	Approximate Date of Transmitting False Tax Return	Unauthorized Fee
36	Taxpayer Client #9	2021 Form 1040 from Maine to the IRS in Massachusetts	March 14, 2022	\$500
37	Taxpayer Client #10	2021 Form 1040 from Maine to the IRS in Massachusetts	March 14, 2022	\$500
38	Taxpayer Client #11	2021 Form 1040 from Maine to the IRS in Massachusetts	March 15, 2022	\$900
39	Taxpayer Client #5	2022 Form 1040 from Maine to the IRS in Massachusetts	February 6, 2023	\$1,100
40	Taxpayer Client #14	2022 Form 1040 from Maine to the IRS in Massachusetts	February 6, 2023	\$1,299
41	Taxpayer Client #6	2022 Form 1040 from Maine to the IRS in Massachusetts	March 24, 2023	\$1,200
42	Taxpayer Client #2	2022 Form 1040 from Maine to the IRS in Massachusetts	April 24, 2023	\$1,200

All in violation of Title 18, United States Code, Section 1343.

FORFEITURE NOTICE

25) Upon conviction of any of the offenses in violation of 18 U.S.C. § 1343 set forth in Counts 34 through 42 of this Indictment, the defendant,

THIERRY MUSESE

shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the violations, including, but not limited to: at least \$7,998 in United States currency and a money judgment in the amount of such proceeds.

26) If any of the property described above as being forfeitable pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), as a result of any act or omission of the defendant—

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty

it is the intention of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property.

All pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

**Signature Redacted – Original on file
with the Clerk's Office**



Assistant United States Attorney

Date: 2/5/25